

***Joint Meeting of the
New York State Reliability Council, L.L.C. (NYSRC)
Reliability Rules Subcommittee (RRS)/
Reliability Compliance Monitoring Subcommittee (RCMS)***

***RRS Meeting
Thursday, June 6, 2013***

Minutes of RRS Meeting #166

In Attendance:

RRS Members and Alternates:

Roger Clayton, Electric Power Resources (Chairman)
Zoraini Rodrigues, LIPA (phone)
Henry Wysocki, Con Ed
Dan Head, Con Edison (phone)
Roy Pfleiderer, National Grid (phone)
Jeff May, Central Hudson (Secretary)
Brian Gordon, NYSEG
Wayne Sipperly, NYPA
Larry Hochberg, NYPA

Non-Voting Participants:

Al Adamson, NYSRC Consultant
Paul Gioia, NYSRC Counsel (phone)
Jim Grant, NYISO

Guests:

Kristen Bluvas, NYISO Counsel
Wanda Williams, Selkirk Cogen (phone)
Abhilash Gari, NYPA (phone)
Meyer Sasson, ConEd (phone)

Agenda Items

1.0 Introduction

RRS Meeting #166 was called to order by Mr. Clayton at 9:32 AM.

1.1. Executive Session

No Executive Session was requested.

1.2. Requests for Additional Agenda Items

RRS 166 Minutes - approved

Mr. Clayton stated that we have a standing additional agenda item regarding the rules enhancement project. He also requested a discussion of NERC's recent posting of their definition of Adequate Level of Reliability as Agenda Item 4.2.

2. Approval of Minutes/Action Items

2.1 Approval of Minutes #165

Mr. Clayton reviewed the latest draft meeting minutes with Mr. Adamson's comments. The following editorial changes were made:

Page 1: none; Mr. Hochberg asked if the committee really wanted to leave the "Happy 30th Anniversary"; Mr. Adamson stated that it was part of the discussion. Mr. Clayton commented that it shows that the committee is not a bunch of pure, hard, technical bureaucrats and that we have heart.

Page 2: none

Page 3: none

Page 4: none

Page 5: none; Mr. Clayton commented on the second paragraph, second line, that RRS took no action on the statement, "it may be necessary to develop requirements...with a material change is made to the unit's ability to provide black start capability." NYSRC currently has a Rule that obligates a generator to notify the NYISO of any change in its state. Mr. Sipperly indicated that EOP-005-2, effective July 1st and applicable to the BES, has wording to cover this interest. Mr. Adamson confirmed that this requirement is part of the Rules. Mr. Grant stated that similar language is included in the NYISO tariff. Mr. Grant further commented that while existing black start units have reporting requirements, black start capable units not currently selected to provide the service have no reporting requirements and that should be considered for future discussion. Mr. Clayton suggested deferring this conversation to the PRR116 discussion.

Page 6: Mr. Clayton called out the statement, "Pat [Hession] also differentiated a restoration plan that maintains a minimum power system vs. restoring load to every last customer." He thought this was another good point and would like to explore this comment further in the PRR 116 discussion. Mr. Adamson asked to strike bracketed paragraph #2.

Page 7: none

Page 8: corrected name spelling: Sergei Mahnovski

Page 9: none

The minutes were approved for issue after incorporation of the identified changes.

2.2 RRS Action Item List

AI 43-9 – No update

AI 83-8 – No update

AI 87-5 – No update

AI 139-1 – No update

RRS 166 Minutes - approved

AI 141-1 – No update

AI 155-4 – No update

AI 164-3 – On today’s agenda for discussion; retire item and create a new action item, if necessary.

AI 165-1 – Mr. Clayton is clear on the differentiation between Reliability Rules and Measurements. Mr. May stated that this Action Item arose from the discussion between Mr. Gioia, Mr. Adamson, and Mr. Clayton; Mr. Gioia was asserting that compliance is demonstrated against the Reliability Rules and not the Measurements. Mr. Adamson stated there are clear definitions of Reliability Rules and Measurements. Mr. Clayton referenced the introduction statement to the NYS Reliability Rules that compliance is against both the Reliability Rules and the Measurements (compliance elements). Item closed.

AI 165-2 – Mr. Clayton received comments from several interested stakeholders; complete.

AI 165-3 – Mr. Schrom sent an excerpt of Article X, exhibit V, to Mr. Clayton. Mr. Clayton will distribute this excerpt to RRS [**Action Item 166-1**]. This exhibit requires generators to provide a description of their black start capability, if any. Additionally, “after consultation with DPS, NYISO, and local TO, to identify applicable requirements, an identification and demonstration of the degree of compliance with all relevant applicable reliability criteria...including any criteria regarding black start and fuel switching capability and a demonstration of their compliance.” Mr. Clayton asserted that there is a legal basis for NYSRC, NYISO, and TOs to proceed with the proposed Reliability Rule and Measurement changes. Mr. May asked for clarification that the NYISO tariff has similar language as ConEd Interconnection Requirements that requires a new generator to consider installing black start capability; Mr. Clayton asked if the section of the tariff that talks about generator {black start} testing & training is specific to local areas or relevant to the NYCA. Mr. Grant and Ms. Bluvus will check on this language and distribute to RRS [**Action item 166-2**].

AI 165-4 – Ms. Bluvus indicated there was some discussion regarding NYISO’s opinion that the NYISO should have the same ability as ConEd and LIPA relative to black start capability. Mr. Grant expressed some concern in crafting the language such that it adequately addresses the involved transmission owners (ConEd and LIPA) and the NYISO, but not the other TOs. Mr. Clayton stated that ConEd supports the initiative based on conversation with Mr. Sasson. LIPA was not available to comment. Mr. Clayton stated his recollection that LIPA was not opposed to the concept, but Mr. Hession has some reservation regarding the metric. Leave open and mark as ‘on-going’.

AI 165-5 – leave open and mark as ‘on-going’

3. NYSRC Reliability Rules Development

3.1 List of Potential Reliability Rules Changes

3.1.1: PRR 116: SRP clarifications – R. Clayton

Mr. Clayton recapped the Article X requirement for Mr. Gioia and Mr. Sasson, who joined the meeting at 10am; they both are familiar, and concurred, with the requirement.

Mr. Clayton set up the discussion with a brief re-cap of the on-going discussion relative to system restoration plans. He suggested that we leave the existing requirements as much as possible, but to create a set of Local Reliability Rules particular to ConEd and LIPA. Based on discussion among Mr. Adamson, Mr. Clayton, and Mr. Gioia on Friday May 31st, the framework for PRR 116 was created. Mr. Adamson assembled the new PRR that replaces PRR 113. This new PRR was issued to the ConEd and LIPA for comment because it introduces the LRR concept. Mr. Sasson provided feedback on Wednesday June 5th; Mr. Gioia had not yet provided comment. Mr. Clayton was uncertain if RRS would be able to finalize the wording at today's meeting for submittal to the EC for consideration because the NYISO, as well as other members, had not yet had a chance to comment. He reviewed the version of PRR 116 with Mr. Sasson's comments, which were displayed on the projector. Mr. Clayton will distribute these comments to RRS [**Action Item 166-3**] to allow the NYISO, as well as other RRS members, to review Mr. Sasson's suggested changes.

Mr. Gioia indicated that he believes RRS is making significant progress on these Reliability Rule and Measurements; he has several further comments on the PRR, and apologized for not having the time to share them with the committee.

Mr. Clayton indicated that, due to the lack of input by all interested members, he was not confident that RRS would be able to submit this PRR to the EC for posting by the end of this meeting. He overviewed the first few sections of the PRR and continued that the changes to PRR 116 Section 5 are meant to highlight the 'prompt as reasonably possible' metric. This is the only proposed change to G-R1.

Regarding PRR 116 Section 6, the idea is to minimize the changes to the existing Measurement. We want to make this as narrow as possible so that the other TOs that are unaffected by these changes are comfortable with the changes to the existing Reliability Rules and Measurements. Most of the new detail will be incorporated in the I-R6, I-M7, I-M8, and I-M9 language. For G-M1.6, the word 'participate' was discussed in detail. Mr. Adamson explained that it was this section of the manual that started this whole endeavor because we had the issue of what 'prompt' means. RRS is attempting to be more specific as to the translation of the {formerly used} word 'necessary'; in other words to focus on the resources that 'participate' in the black start program as opposed to the resources that are 'needed' for the program. Mr. Gioia's opinion is that these changes are unnecessary. Mr. Clayton ended the discussion by indicating that the debate was unproductive.

Mr. Clayton doubled back to the wording of G-R1 that he felt was overlooked. He raised a concern that the term 'Normal Operating State' is not defined in the NYSRC Glossary; it was believed to originate in a NERC Standard. A discussion ensued regarding what this means relative to defining a minimum power system. Mr. Clayton expressed his desire to have a discussion of this definition; this is captured under Action Item 165-5. He stated that LIPA is leaning toward using the definition of 'minimum power system' and not the 'Normal Operating State'. Mr. Gioia described his perspective that the 'Normal Operating State' is the NYSRC goal, whereas NERC's 'minimum power system' merely indicates what is needed to begin restoration. He further expressed that RRS should be consistent with NPCCs definition of a normal operating state. Opinions were shared by Mr. Hochberg, Mr. Adamson, Mr. Gioia, and Mr. Sasson, but it was determined that this topic will not be resolved today; it will be further discussed at next month's meeting. Mr. Adamson suggested to RRS members to research and review NPCC Directory 8, and NERC EOP-005 & -006, for further clarity & understanding [**Action Item 166-4**].

The discussion moved to G-M2 changes, specific to the striking the wording "to identify" black start resources "that are necessary for implementing..." Mr. Adamson discussed the reason for these changes, which is the same as the changes to G-M1.6. The last sentence addition is meant to point people to the new Local Reliability Rules; Mr. Adamson expressed his concern that this wording is redundant, or could be misconstrued as part of Measurement. He thought it might be better broken out as its own footnote. Mr. May asked for clarification on an apparent redundancy of black start testing requirements. A brief discussion ensued, but Mr. Adamson indicated that this is part of a bigger picture of the reliability rules and can be captured as part of the rule enhancement project. Mr. Clayton indicated that we have had this discussion at past meetings regarding identifying Requirements specifically versus by reference. Mr. Grant pointed out that a local transmission owner may have specific testing protocols that are unique to its area; the existing wording covers that scenario without necessarily duplicating all of the NYISOs testing procedures.

Mr. Gioia recognized that while the RRS meetings are open to the generator community, he suggested that these rule changes be presented to the supplier community before RRS submits them to the EC for approval. Mr. Clayton will provide the generator community with a copy of PRR 116 for their information and comment [**Action Item 166-8**]

Mr. Clayton reviewed the new Local Reliability Rule, I-R6, and associated measurements I-M7, M8, & M9. Mr. Clayton recognized that he heard earlier in the meeting that the NYISO had requested wording in the Measurements requiring the NYISO to identify additional black start resources. Ms. Bluvas asked if RRS would consider modifying 'G' Rules to include some of the increased requirements that are being proposed as part of the 'I' Rules. Mr. Adamson stated that RRS has intentionally excluded the identification of additional resources as part of the Reliability Rules for the backbone. There was some discussion about whether the NYISO already has the power to identify additional resources. Mr. Clayton suggested that the NYISO provide comments that can either be included with this PRR or to create a new PRR; his preference was a separate PRR.

Mr. Clayton continued by reading I-M7.1 and focused on the new wording from Mr. Sasson, "that are capable of black start service", which more clearly defines 'type 2'

units. Additionally, Mr. Sasson requested the word ‘pace’ be included in addition to ‘speed’.

Regarding I-M7.3, Ms. Bluvas wanted to talk more about the process of the NYISO approving a TOs study. She raised a concern that the NYISO should not be required to review transmission owner studies unless there is a disagreement. Some discussion ensued regarding the consistency of transmission owner methodologies; some members were ok with each transmission owner having their own methodology, but Mr. Adamson dissented. Again, it was suggested that some of the refinements being discussed can be captured under the Reliability Rules enhancement project. Mr. Clayton suggested that he would talk off-line with Mr. Adamson. Mr. Hochberg pointed out that I-R6 should be reworded such that RRS does not contemplate that “...the Con Edison and LIPA systems be restored to a Normal Operating State...” independent of the NYCA. This change can either be struck from the Reliability Rule or incorporated as part of the NYCA system.

Mr. Clayton reviewed I-M8 and indicated that I-M9 is the same as M8, but applicable to LIPA. The NYISO intends to provide comments on the timing of approving need either before or after the exemption process [**Action Item 166-5**]. Mr. Clayton suggested that anyone can provide comments before the June 27th meeting in order to have a final draft for submittal to the next EC meeting.

3.2 NPCC Rules Revision Update

No updates.

3.3 NERC SARS/Organization Standards

Mr. Adamson indicated that the tracking summary reflects the recent actions within the past 2 months; mostly voting activity.

Mr. Grant asked RRS if others had heard about NERC’s request to delay by one year implementation of the new BES definition. Mr. Sipperly provided some details around the driving factors for the delay, including that FERC requested NERC to file. When FERC approved the definition they made some changes to the E1 & E3 exclusions, as well as the issue of local distribution that added uncertainty and how the BES elements will be identified. The extension was an outcome of these uncertainties. Mr. Clayton recalled that only one NERC region (NPCC) had concerns over implementation; Mr. Grant indicated that was not the case, ultimately. Mr. Sipperly added that there were complications with facilities under 100kV that would have been included in the BES. Status is that NERC has applied for the extension, but FERC has not yet approved.

NERC applied for the extension; FERC has not yet approved it. The new definition is supposed to take effect July 1st.

4. Additional Agenda Items

4.1 Rules Enhancement Plan – A. Adamson

Mr. Adamson reviewed the latest draft of the Reliability Rule template updates for Sections A, C, D, & F. There are two tasks in the Plan being worked on; one is the format of the Reliability Rules, and the second is to look at NPCC and NERC Standards to see if they are more stringent than the current Reliability Rules in specific areas. In some cases he is developing new Reliability Rules. Some existing Reliability Rules and all Measurements will become requirements. Once RRS signs off, Ms. Lynch will begin the process of converting the words into the new format. This draft follows the template that was included in the approved white paper. Mr. Adamson indicated that each section will be handled differently; they are each somewhat unique. Mr. Hochberg inquired as to some of the consolidation and combinations being used; Mr. Adamson explained that he is following the previously approved white paper and applying some judgment and latitude. Mr. Adamson has not changed any Reliability Rules and Measurements, but recognized that the NYSRC Reliability Rules are more stringent than NPCC or NERC. He reviewed NPCC documentation before coming to this conclusion, but that conclusion is subject to RRS comment and approval. Mr. Adamson and Mr. Clayton are discussing the numbering system. Mr. Clayton requested to see a completed example of Section A before passing judgment on the Rule templates.

4.2 NERC Definition of Adequate Level of Reliability – R. Clayton

Mr. Clayton provided RRS with a high-level review of the recent posting from NERC, “Definition: Adequate Level of Reliability for the Bulk Electric System” that discusses their perspective and definitions to determine an ‘adequate level of reliability. Mr. Clayton will distribute the NERC document with RRS [**Action Item 166-6**]. Mr. Clayton recognized that the concepts are the same as what NYSRC is doing today. He asked RRS to review the document and provide comment as to any changes to NYSRC Reliability Rules going forward [**Action Item 166-7**]. Mr. Adamson posed the question as to whether this document changes anything being required by NYSRC, but he believed that not to be the case. Mr. Clayton expressed his confidence that it will not change the way that RRS makes the Reliability Rules.

5. Reports

5.1 NYSRC EC Meeting Report – R. Clayton

Mr. Clayton briefly identified the topics covered at the last EC meeting. Mr. Sasson has been nominated as the next EC Chairman; Mr. Dahl has been nominated for the next Vice-Chairman. The vote will take place at the next EC meeting.

5.2 NYSRC ICS Meeting Report – A. Adamson

Mr. Adamson indicated ICS met yesterday; there was an environmental presentation by Mr. Carney relative to the environmental impacts in next year's model. Three weeks from now he will have a recommendation to ICS regarding 8-10 environmental regulations that should be included in the model. One example is the maximum emissions of a unit resulting in a generator de-rating. Some discussion took place relative to the choice of disconnecting load versus meeting environmental criteria; the response was that the model will be set up to disconnect load in lieu of granting environmental exceptions. The concept of 'bubbling' was explored, as well.

NYISO staff provided two white papers on load shape modeling for multiple (3) years, which is an enhancement to the current practice of a single year projection. The second white paper is wind generation shape modeling, but it is not expected that this data will be used in the model; 2012 actual data will be used. Mr. Clayton asked about the 90/10 model described in the Power Trends newsletter; Mr. Adamson explained the concept. Load forecasting uncertainty has increased IRM by approximately 8%; second parameter being studied is the increasing trend of generator outages. The NYCA load model heavily weights high load scenarios. Study assumptions will be finalized at the July meeting.

6. Next Meeting #167:

Mr. Adamson offered copies of the bi-annual NYSRC report.

The next RRS/RCMS joint meeting is scheduled for Thursday, June 27th, 2013 at 9:30 AM in the NYSERDA offices located at 17 Columbia Circle, Albany, NY.

RRS meeting #166 was adjourned at 11:50 AM.